

May 9, 2003

Kenneth Payne, Chief  
Marketing Programs Branch  
AMS Livestock and Seed Program  
USDA STOP 0251  
1400 Independence Avenue, SW  
Washington, DC 20250-0251

Comments on: LS-02-15

Dear Sir,

The following comments are on behalf of Iowa Pork Producers Association (IPPA). IPPA represents over 5,000 members from Iowa.

We are very familiar with the assessment and collection system and provide these comments to enhance the purpose of the proposed rule which is:

"... to establish the total number of pork producers and importers that would be utilized in determining whether the 15 percent threshold requirement contained in the Act for conducting a referendum has been met."

The Pork Act requires producers of market hogs, feeder pigs and seedstock to pay assessments based on marketing each respective class of swine. Importers of live hogs, feeder pigs, or seedstock also are required to pay with assessments remitted through the U.S. Customs Service.

There is no exemption in law or regulation for volume of animals or type, therefore the Department must be thorough in searching for all producers and importers the proposed rule intends to identify. Past USDA rules and regulations have provided the opportunity to vote in referendum to any producer who has marketed at least one swine during a specific time period. This obviously implies that a thorough and comprehensive process should be put in place to determine all eligible producers.

It is important that the proposed rule be consistent with the Act/legislation. In referring to Sec. 1623(b)(1)(A), the USDA needs to focus on the wording: "... who have been producers and importers during a representative period,..." As proposed, the rule tends to focus only on producers who have paid the checkoff through a reporting system to the NPB. The pork checkoff collection is not a perfect system where all producers have paid the assessments due.

However, the Act does not define eligible producers as just those pork producers who remit, but rather individuals "... who have been producers ..." (sec 1230.12, 1230.16 and 1230.21). USDA must therefore include more producers than previous remitters.

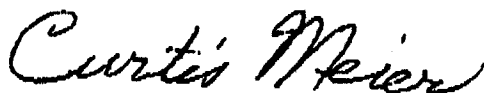
There are many small producers covered by the Pork Checkoff with many unique marketing groups which may not be remitting checkoff. USDA needs to use sources outside the Pork Board's remitter list to identify all producers (i.e., USDA's 2002 Ag Census; youth groups - 4-H and PFA; private mailing lists; federal and state animal health records; etc.).

There is considerable numbers of swine imported into the U.S. - primarily from Canada - and covered by checkoff (over 5.9M head). The rule should also address the extensive amount of producers that these imports represent and the producers who received them as feeder pigs in the U.S.

In summary, we would urge the USDA to expand, define and issue a regulation that would lead to better identifying all producers and importers covered by the checkoff program. This should not only include Pork Board remitter records, but those sources USDA has access to in different areas of the government.

The Department has begun to implement its charge to determine the eligible producers through the remitter process as proposed. However, as these comments point out, remitters are not the only category of producers to be discovered. Additional processes and associated regulations are needed to identify all producers and importers subject to the assessment, not just those currently remitting assessments.

Sincerely,



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